

Washington, D.C. 20520

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TO: See Distribution List

FROM: EUR - Lawrence S. Eagleburger

SUBJECT: USG Policy toward Turkey

Approved For Release 2008/07/09 : CIA-RDP83B00140R000100120003-9

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September 8, 1981

I. Importance of Turkey in Global USG Strategy

Geography and history make Turkey a crossroads of fundamental USG security interests. Traditionally, Turkey has served us in the context of NATO and Western Europe: i.e., a fellow democracy, the eastern bulwark of the southern flank, the guardian of the vital straits. Turkey is also an inextricable part of the fabric of Eastern Mediterranean issues. It greatly influences USG policy with respect to Greece and Cyprus; the converse is no less true. For this reason, we must consider Turkey also in the light of other major USG interests in the Eastern Mediterranean.

The past two years have given Turkey a major new dimension of importance to the USG. Together, the abrupt removal of our presence in Iran, the Soviet seizure of Afghanistan and massing of military might in the Transcaucasus, the downward spiral of the Iranian revolution, and the uncertain outcome of the Iran-Iraq war have moved Turkey to center stage in USG strategic planning for Southwest Asia. Beyond its traditional--and vitally important--role in NATO and Europe, Turkey now has at least the potential to become an anchor of the strategic structure we are seeking to build to deal with the threat to and in Southwest Asia. The crucial test for USG

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policy will be to persuade Turkey that its national interests are threatened by the situation in SWA and can best be protected by expanded cooperation with the USG and NATO in dealing with that situation.

We are a long way from that point, and we may not fully succeed. Yet, Turkey's undeniable potential requires that we make a maximum effort, without damaging our other vital interests. More than any other country--including Egypt and Israel--Turkey has assets which, if available to us, could be critical in meeting some of our SWA requirements: a well-disciplined and cohesive military force structure; a substantial network of in-place USG facilities which could be expanded and upgraded; geographic proximity to SWA; and reasonably good relations with all regional states, including Israel. In addition, Turkey has a history--with more "ups" than "downs"--of defense cooperation with us dating back to 1947, and it shares our commitment to western values and political systems, and to NATO. How well we manage our bilateral relationship with Ankara, including the concerns the Turks deems vital to their interests, will in large part determine whether the GOT will choose to work with us in defense of mutually perceived security interests in SWA.

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In USG strategic thinking, Turkey is both a real asset and a potential liability. In recent years, the country has grappled with looming financial/economic collapse, social instability, political terrorism abetted to some degree from abroad, and institutional paralysis. The military takeover of September 1980 brought temporary relief and for the moment broke the back of radical movements--including pro-Islamic ones--which had come to the fore in the 1970's. It is too early to judge whether the fundamental GOT reforms, now in place or in prospect, will succeed. Some of them--particularly the economic stabilization program and the modernization of the Turkish force structure--depend heavily on sustained high levels of external support. As far as Western Europe is concerned, mounting political criticism of the Evren regime and growing financial problems cast doubt on whether donor governments will continue to bear their share of this burden.

Failure of the ambitious GOT reforms could produce a disillusioned, destabilized Turkey lurching in directions inimical to our interests: renewed internal strife; drift away from NATO and Western-style government; alignment with Middle Eastern states which supply oil and markets; possibly even neutralism growing out of an accommodation with the USSR. None of these possibilities seems likely to threaten the outlook for

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the near term. In a negative way, however, they illustrate the fundamental importance of Turkish stability, strength, and western orientation to broad USG strategic interests.

## II. The Nature of the Turkish-American Relationship

Despite mutual political values and commitment to NATO, the Turkish-American relationship has no natural constituency in terms of shared history, economic interdependence, ethnic or family ties. The absence of a "Turkish lobby" in the United States is indicative. Coming out of different--and, in some respects, antithetical--traditions, the Turkish and American peoples are largely ignorant or, if not indifferent to, each other. This is certainly true in comparison to USG relationships with other allies, such as Greece. It is less true in comparison to USG relationships with most other countries in the world.

In any case, the Turkish-American relationship rests on a very narrow base. It is primarily a government-to-government tie defined in security terms: suspicion of, and opposition to, the Warsaw Pact. This relationship suffers from a legacy of accumulated Turkish mistrust arising from specific

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grievances: the unilateral withdrawal of the Jupiter missiles in 1963; the Johnson letter of 1964; the USG restraining role in the Cyprus crises of the 1960's and 1974; and the 1975-1978 partial arms embargo. Turkey also shares allied concerns, stemming from recent American history, that the USG may not be a wholly reliable or predictable partner.

At all times, the key to the health of the Turkish-American relationship is whether or not the GOT perceives that the USG is making a "best effort" to help Turkey in all respects. Beyond scrupulous implementation of our obligations under the 1980 Defense and Economic Cooperation Agreement (DECA), Turkey interprets "best effort" to mean sustained high levels of USG security assistance on concessional terms, unremitting political support in western European and other donor capitals, "understanding" of the GOT position on Greek-Turkish issues, and rhetorical comfort and practical aid in dealing with the neuralgic issue of Armenian terrorism.

For the moment, the GOT perceives that the Reagan Administration is making such a "best effort." The FY-1982 security assistance is 56% higher than in FY-1981. We have effectively and aggressively taken the leadership in the OECD consortium and the NATO Ad Hoc Group. We have weighed in repeatedly with the IMF, the IBRD, the Saudis and other

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potential donors on Turkey's behalf. Because the Turks view our labors as a "best effort;" we currently have an excellent bilateral relationship, perhaps the best since the 1950's. Given the nature of the tie, however, this situation is extremely precarious. It could end abruptly if the USG failed to sustain the pace of performance which the Turks need and want. The GOT is watching carefully to see whether we can deliver the FY-1982 aid levels that have been proposed.

So long as the Turks perceive a USG "best effort" in the broad sense, the Turkish-American relationship will prosper. This gives us at least the chance to achieve our strategic objectives for Turkey, including expanded cooperation in SWA. Conversely, the bilateral relationship would suffer major damage in the event of a precipitous drop in levels of USG security assistance and political support. In the resultant climate of diminished GOT confidence, other nettlesome issues--e.g., Congressional badgering on Cyprus, on relations with Greece, on the pace of return to democracy; and an Armenian niche in the proposed Holocaust Museum--would become more contentious. We would have little prospect of achieving our strategic objectives for Turkey--whether in the context of NATO, force modernization, democratic and stable government, or cooperation in SWA.

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III. What the USG Wants from Turkey

Aside from the recent major exception of cooperation in SWA, USG strategic goals for Turkey have varied little for the past generation. We seek a stable, democratic Turkey committed to the West and to mutual defense of Western interests. Such a Turkey can be an invaluable asset for USG purposes in Europe, the Middle East, and SWA. We seek an equipment modernization of Turkish forces which will have an immediate payoff in NATO and a potential utility for SWA. We seek to foster and maintain a climate of perceived mutual interest that will enable us to persuade the Turks to cooperate in meeting the strategic threat to SWA. The key to our ability to achieve these goals is USG provision of levels of security assistance sufficient to meet Turkey's real--and perceived--needs.

GOT expectations from the relationship have been similarly constant: protection under the mutual security guarantee of the North Atlantic Treaty, supported by massive resources to help Turkey acquire a more modern force structure, domestic stability, economic health, and self-confidence. The Turks are not seeking new defense responsibilities, in large part because

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they cannot yet meet existing ones. To the degree that they acquire this capability, they may be more willing to consider new tasks, such as in SWA.

USG and GOT policy desiderata in the bilateral relationship are compatible and--so long as the USG can maintain a "best effort" and steer a middle course on Greek-Turkish issues--perhaps mutually achievable.

This paper will discuss five primary strategic goals for Turkey, all of which have operational implications. Without seeking to draw up a rank order, these goals are:

- Return to economic health and viable democratic government, in order better to maintain Western orientation and NATO alignment;
- Enhanced cooperation in assessing and finding joint means to deal with the strategic threat to Southwest Asia;
- Resolution of bilateral differences with Greece;
- Continued close cooperation in NATO, specifically achievement of force modernization that could have benefits in both NATO and SWA contexts;

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-- Promotion of a negotiation leading to a just and lasting solution to the Cyprus problem.

IV. How to Attain these Objectives

(1) ECONOMIC HEALTH AND DEMOCRATIC GOVERNMENT

Analysis

There is a firm linkage between these two goals. Sustained high levels of external economic aid are essential to an overall climate of recovery in Turkey, in turn a prerequisite for early restoration of a viable democratic system. General Evren and his colleagues have refrained from setting a timetable for return to civilian rule. However, they have persuasively made plain that such is their goal, and that the tempo will depend largely on their ability to resolve the basic problems which led them to take power last September. The most optimistic forecast is that Turkey will return to civilian rule by late 1982; the more likely date is 1983. Until that time, the challenge for USG policy is to persuade other donor governments, mainly in Western Europe, to maintain undiminished support while an essentially undemocratic process--the Constituent Assembly and the National Security

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Council--produces a democratic result: a new constitution, new laws on elections and political parties, a referendum, and general elections to choose a new parliament.

Reflecting real and imagined human rights concerns, Western European criticisms of the Evren regime are placing a growing strain on resources for Turkish recovery and hence on the triangular relationship among Turkey, Western Europe, and the United States. By reinforcing already tight budgetary situations in Europe, these criticisms are having a direct economic impact on Turkey. They have already caused the FRG and the EC to delay disbursement of new aid. If this pattern continues and others follow suit, there will be no prospect for a successful consortium effort in 1982. Therefore, it is essential that the USG do everything possible to prevent a further estrangement of Turkey from Western Europe. Part of the answer lies in continued quiet efforts to persuade top Turkish leaders to take account of Western European concerns. The Turks show little disposition to do this, but the prospective reduction of the 90-day detention period and the October 23 convening of the Constituent Assembly may temporarily improve their image problem. Another part of the answer lies in persuading the Europeans to focus on the main issue: sustained progress toward restoration of democratic government in a reasonable timeframe. That goal--not charges

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of torture, or whether Ecevit may travel abroad--must be the main focus of Western concern.

The likelihood is that the USG will have to maintain an intensive dialogue on this subject with both Ankara and the Europeans for the duration of the Evren regime. Moreover, should Papandreou lead Greece after the October 18 elections, his government can be expected to seek redoubled European pressure on Turkey. This, in turn, would require even greater USG efforts in Western Europe.

We must be mindful of the basic triangular relationship in formulating our bilateral assistance program for Turkey. Without careful management with the Congress and consultation with other donors, a substantial increase in FY-1983 security assistance levels for Turkey could tempt some NATO/OECD donors to lessen their efforts, particularly in view of their own economic difficulties. Such a development would cause problems in the Congress, whether or not the Turks were willing to do more for us in SWA. The USG already provides more than 30% of the OECD consortium assistance, and an even larger share of NATO military aid for Turkey. It is imperative that Turkish recovery not become, or be perceived as, primarily a USG operation.

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Policy Recommendations

-- Maintain Pressure on all OECD donors and regional European groupings (EC-10, NAA, WEU, COE) to: show understanding for Turkey's special circumstances; mute political criticism so long as the Evren regime sustains its process of redemocratization within a reasonable timeframe; and maintain high levels of quick-disbursing aid flows;

-- Point out to all European donor governments that the August 4 Turkish Cypriot proposals on territory and constitutional issues indicate a GOT resolve to take determined steps to achieve a negotiated solution to the Cyprus problem, an issue of great importance to Europe as well as the United States;

-- Aggressively use anticipated higher levels of USG security assistance in FY-1983 to reenergize and increase European efforts to support Turkey;

-- Continue close liaison with the IMF, the World Bank, the Saudis, and other regional oil states to provide financial aid to Turkey;

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-- Discuss privately but frankly with senior GOT officials the need to sustain the process of return to democracy, in order to defuse anti-Turkish criticism in Western Europe

-- Emphasize to the GOT the importance of continued, strict adherence to the 1980 economic stabilization program and the terms of the IMF Standby Agreement.

(2) COOPERATION IN SOUTHWEST ASIA

Analysis

We have successfully opened a political dialogue with Turkey, bilaterally and in NATO, on the strategic threat to and in Southwest Asia. The Turks have responded positively to our initiative and welcomed the exchange of data and analysis. In general, the Turks share our assessment of the problem but not our prescription for resolving it. Rather than setting up a mechanism to project the RDF, Ankara argues that the West should first beef up Turkish force capabilities to pose a credible deterrent to Soviet and Soviet-surrogate incursions in the region. This argument should be read on two levels: (a) a

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reflection of a genuine GOT sense of vulnerability and (b) an effort to elicit a clear Alliance commitment to provide Turkey greatly enhanced levels of materiel.

There are three general caveats with respect to Turkish cooperation in SWA. First, the Turks would almost certainly work closely with us to counter a direct Soviet move into Iran or elsewhere in the Persian Gulf region. There would be a clear threat to GOT interests, and the Turks would support a concerted Alliance response. The prospect for such cooperation under other scenarios is much murkier. Here lies the first task of our SWA consultations: to convince the Turks that something less than a direct Soviet assault into the region would also jeopardize their national interests and justify full cooperation in a NATO or USG response.

Second, the Turks are acutely sensitive to the views of Islamic states. They would therefore require firm assurances that any SWA capability on Turkish soil would not be used to intervene in the Middle East or to support Israel.

Third, in the event of SWA cooperation with Turkey, we would have to manage the problem of heightened Greek sensitivities with respect to preserving the balance of military strength in the Eastern Mediterranean region, a

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legislative requirement that still has strong backing in the Congress. The USG views this "balance" in NATO-Warsaw Pact terms; the GOG and many on Capitol Hill persist in a narrower interpretation that Greece must receive 70% of the military assistance furnished to Turkey. A perceived "imbalance" in levels of security assistance to Turkey and Greece would have a profoundly negative impact on Greek-American and Greek-NATO relations in general, and on any resumed DECA negotiation with Athens. The policy problem would be to provide higher resource levels to Turkey, while taking care of GOG concerns so that the "balance" would not act as a brake on those levels.

There are two main avenues by which Turkey could help us in SWA: a modernized Turkish force structure that would be useful in both a NATO and a SWA context, and specific GOT quids in the form of facilities for SWA purposes. We must be clear that GOT cooperation in SWA will be very expensive for us, much higher than the requested levels of FY-1982 security assistance (\$400 million FMS, \$3.5 million IMET, \$200 million ESF). We should not, therefore, seek such cooperation from Ankara unless we are prepared to go for significantly higher and qualitatively better levels of military aid. An important test for the likelihood of Turkish SWA cooperation will be the fate of the FY-1982 security assistance program. There is reasonable doubt that, in this era of budget austerity, the USG could provide

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the resources that would be required to achieve its strategic goals in Turkey, including cooperation in SWA.

The prospective meetings of Secretaries Haig and Weinberger with their Turkish colleagues at the December NATO ministerials will be a major opportunity to probe GOT interest in working with us in SWA. The GOT has already signaled its willingness to share assessments and discuss out-of-area (SWA) contingencies, so long as this is done in a NATO context. For Turkish purposes, the NATO label is essential: it mutes probable adverse reaction by domestic groups and by regional states--especially Islamic oil producers, on which Turkey depends heavily--which have come to accept Turkish membership in the Alliance. By staying within the Alliance framework, we enhance the possibility of attaining a significant degree of Turkish cooperation in SWA, under the NATO rubric of burden-sharing and division of labor in dealing with out-of-area contingencies. However, we must bear in mind throughout these exchanges that USG measures to strengthen Turkey directly serve major USG strategic purposes, whether or not there is a payoff in terms of cooperation in SWA.

In operational terms, GOT cooperation in SWA is much more remote. It will depend primarily on USG ability to make good

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on commitments to enhance Turkish defense capabilities, and on the GOT's assessment that specific measures of cooperation serve Turkish national interests. Here, too, use of the NATO label can help achieve our goals. The Turks want to upgrade selected facilities under a form of Collocated Operating Bases (COB's) program. COB's is a U.S. program under a NATO umbrella, designed to provide greater dispersal to NATO-committed aircraft. As practiced in other NATO countries, COB's requires funding by the host country. In Turkey's case, the USG--not NATO--would pay most of the bill; some of the resources might be available in the milcon budget. The Turks also want to speed up defense industrial cooperation under the DECA, an agreement limited by its own terms of reference to NATO purposes.

To the degree that we can commit major new resources to dual-purpose Turkish military infrastructure projects and defense industries, we shall enhance GOT confidence in our determination to help Turkey defend itself. This in turn, will strengthen prospects for the GOT to work with us in deterring and, if necessary, countering the strategic threat to SWA. We have learned from hard experience (the partial arms embargo) that withholding resources does not elicit cooperation from the Turks. Therefore, the only feasible means for the USG to seek specific GOT cooperation in SWA is to be prepared to commit

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high levels of resources in advance. To hold back resources in hopes of eliciting a GOT commitment in SWA would be futile.

We should focus our pending high-level discussions with the Turks on measures to help the Alliance better defend eastern Turkey against the USSR; e.g., buildup of military infrastructure and bases, joint air and ground exercises with substantial deployment of U.S. and allied forces to the region; prepositioning of supplies and equipment; deeper dialogue on contingency planning, including measures to deal with Soviet overflights and transit of the straits; and creation of a Turkish capability for TACAIR interdiction. There is an RDF application to each of these measures, but all could be discussed in terms of Alliance efforts to counter the threat to a vulnerable part of NATO turf: eastern Turkey.

The Turks will not shrink from this exchange. They have a deep-rooted memory of Russian/Soviet expansion, and they are acutely mindful of the Soviet capacity to destabilize their country. However, the GOT is also reluctant to provoke unnecessarily its northern neighbor, a state with which Turkey has normal relations and from which it obtains significant economic aid (including oil) and trade. Laying concrete foundations for a dual-purpose defense system in eastern Turkey, and providing the level of resources Turkey will need

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to feel more secure in working with us to handle out-of-area problems, will help to overcome such reluctance.

The GOT has shown a strong readiness to pursue such discussions in NATO fora. The May DPC meeting in Rome was a major success in this regard. We should, therefore, continue efforts to focus NATO agendas on discussion of out-of-area (SWA) contingencies. .

Policy Recommendations

-- Expand the ongoing political dialogue and intelligence-sharing on SWA, bilaterally and in NATO.

-- Build on the Rome DPC discussion of SWA by follow-up discussion in the December meetings of NATO.

-- Blur the distinction between SWA and NATO by relating SWA requirements to NATO programs and operations, and to the upgrade of Turkish force capabilities to defend Turkish soil.

-- Discuss with the GOT specific approaches to dealing with the strategic problem -- e.g., creation of defense infrastructure in eastern Turkey; enhanced NATO deterrence via joint exercises to be held in the region, more frequent use of F-111 and other advanced aircraft to supplement the QRA

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squadron in Incirlik, creation of a TACAIR interdiction capability, etc.

-- Implement as rapidly as possible all USG obligations arising from the DECA.

-- Move promptly to conclude the COB's MOU and a Host Nation Support (HNS) agreement, keying both to NATO Purposes.

-- Find means to ameliorate Greek concerns arising from higher levels of security assistance for Turkey--e.g., provision of higher assistance levels to Greece in recognition of GOG out-of-area contributions.

(3) BILATERAL DIFFICULTIES WITH GREECE

Analysis

The preceding discussion makes clear that the USG is inevitably drawn into the Greek-Turkish relationship, even in the SWA context. Greece plays a key role in NATO, makes a limited but important contribution to "non-NATO" activities, and has a close but troubled relationship with the USG. The Greeks look to us primarily for support, material and

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political, to strengthen their ability to deal with the Turks. GOT resentment of this approach sharply marked the late phase of the recent inconclusive USG-GOG DECA negotiation. The Turks strongly opposed the political side letters which the USG was prepared to give Greece. They will renew their objection with force when the letters come up in a renewed DECA negotiation. Because both Athens and Ankara depend on us to a significant degree, we have a modest capacity to counsel restraint and continuation of their bilateral dialogue. This consideration also weighs heavily in our annual effort to fashion adequate levels of security assistance for Greece and Turkey.

In the past few years, the GOG and the GOT have made limited progress in addressing knotty, emotional bilateral issues in the Aegean and elsewhere. There has been modest progress with the 1980 lifting of the NOTAM's, which for six years had blocked civil aviation across the Aegean, the achievement of Greek reintegration into NATO's military structure in October 1980, and the spring 1981 reduction in Aegean restricted airspace. The onset of the Greek election campaign has effectively put the bilateral dialogue on ice. Recognizing the need to avoid incidents which could be exploited in the supercharged Greek electoral atmosphere, the GOT shows signs of holding to a non-provocative low profile for the next few weeks. We may wish to exchange views with the GOT

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on the situation in Greece before October 18. If Rallis wins, there is a strong likelihood that the Greek-Turkish dialogue will resume its slow, but important, pace. A Papandreu victory would, at least for the near term, likely mean the end of the dialogue and a rise in tension with Turkey. However, we should not categorically rule out surprises from Papandreu, even pleasant ones.

In the past 18 months, Turkey--actually the Turkish General Staff, which has the final say in Greek-Turkish relations--has shown a capacity to make tough tactical concessions for the sake of achieving broader objectives. The Demirel Government took the initiative in clearing up the NOTAM tangle, and the Evren regime made it possible for Greece to rejoin the integrated command structure of NATO. The Rallis Government in turn made some limited airspace gestures. Unfortunately, Greece has a fundamental, perhaps permanent, lack of confidence in its ability to deal with Turkey. It is, therefore, unlikely that any Greek Government which emerges from the October 18 elections will be able to achieve substantial progress in resolving bilateral issues with Turkey. For USG purposes, therefore, the process of a sustained Greek-Turkish dialogue without conflict or tension is probably the most feasible

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goal. It is certainly an adequate one. Achieving actual settlement of the contentious Aegean issues, which involve major national interests for both countries, is utopian, at least in the near term. Still, it is important that the USG be seen as doing its best to ameliorate Greek-Turkish difficulties, when they arise.

Policy Recommendations

-- After October 18, consult with the GOT and the GOG on prospects for their resumption of a productive bilateral dialogue;

-- Continue strong background support for CINCSOUTH's efforts to resolve issues left pending by the achievement of Greek reintegration, taking care to minimize new irritants between Athens and Ankara;

-- In event of a resumed Greek DECA negotiation, keep the GOT broadly informed in line with Secretary Haig's commitment that there will be "no surprises:" recognizing it will not be possible to avoid political side letters for Greece, tackle GOT political objections head-on as was done last summer: i.e., a letter from the Secretary to Evren;

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-- Maintain GOG confidence with appropriate levels of security assistance and concessionality, seeking to avoid accepting or hewing to any fixed ratio vis-a-vis Turkey;

-- Meet GOG objections re new levels of SWA assistance for Turkey (even if under a NATO rubric) by seeking a greater SWA payoff from security assistance provided to Greece.

(4) NATO

Analysis

Membership in NATO is fundamental to Turkey's continued Western orientation, and to any prospect for specific GOT cooperation in meeting the strategic threat to SWA. The same security concerns which brought Turkey into NATO in 1952 exist today; indeed, they have been magnified by events in SWA. This consideration explains why, despite occasional high levels of irritation with Western European attitudes, no GOT has ever seriously questioned the value of Turkey's continued membership in the Alliance. Turkey's basic difficulty in NATO is not a lack of commitment, but an inadequate capacity to carry out existing obligations. Creating that capacity will necessarily

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require a long-term and expensive effort. On the other hand, a credibly modernized Turkish force would have enormous deterrent potential, in NATO as well as in SWA. Providing significant numbers of modern aircraft to Turkey would help achieve this purpose. Again, Greek sensitivities would have to be handled, probably by providing the same kinds, if not the same numbers, of aircraft to Athens.

The Turks are deeply concerned by the limited amounts and low quality of military aid which their European allies are providing under the mechanism of the NATO Ad Hoc Group. We share that concern, but we recognize that the same national treasuries are being tapped to support the infrastructure program, the Ad Hoc Group, the OECD consortium--all of which benefit Turkey. Apart from the USG, the FRG is the only ally which has a bilateral military aid program for Turkey. That program faces political pressure in the Bundestag, and budgetary constraints cast a shadow over its future. The other European allies are essentially transferring MAP-origin and USG-license items which guarantee that Turkey will retain an obsolescing arsenal--not yet an obsolete one, but fast approaching that status. To bring Turkish forces up to a level reasonably commensurate with the requirements of their NATO

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missions, the GOT will need for a long time a sustained, quantitative increase in the volume, sophistication, and concessionality of the material coming from its allies. Turkey will be better able to produce some of these items, as its domestic defense industry develops.

Two operational considerations bear on the ability of the Ad Hoc Group to help Turkey. First, its charter calls for aid to Turkey, Greece, and Portugal. This means that the USG must be careful to maintain some balance in approaching Alliance donors on behalf of Turkey. Second, some of our European allies--e.g., Belgium--are selling U.S.-origin items on a sealed-bid basis in order to raise funds for F-16's and AWAC's. The USG cannot credibly ask these allies to accept a Turkish offer which is lower than that of other bidders (Greece, Portugal). We can, however, urge them to give preference to allied governments and, other things being equal, to Turkey because of the GOT's relatively greater requirement for aid.

A major problem in seeking to modernize the Turkish structure is its sheer size, the largest in Europe. NATO could explore with the GOT possible alternative configurations, such as a leaner elite force which could be brought up to NATO standard with current levels of resources (and which also might

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be more reassuring to the Greeks). If such a step were feasible--and achieving it would require persuading the Turks to abandon a major element of their national defense policy--the balance of Turkish military manpower could be retained as a territorial reserve, in order to fulfill the non-military, socialization purposes of Turkish universal conscription.

Consistent with our strategic objectives in SWA, we must also continue efforts to achieve a tacit broadening of the NATO umbrella to cover out-of-area concerns. We can usefully build on the last DPC exchange on this subject.

Policy Recommendations

-- Reinvigorate the NATO Ad Hoc Group program by redoubling efforts to persuade other allies to provide Turkey--and Greece and Portugal--surplus and/or phased-out material on a no-cost or low-cost basis;

-- Use substantially higher USG security assistance levels for Turkey to advocate a similar degree of effort by the allies;

-- Make a special effort with the FRG to ensure that it maintains and increases its ongoing military aid program for Turkey;

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- Beef up NATO infrastructure funds which benefit Turkey;
- Discuss candidly with the Turks ways in which at least some of their forces could be brought rapidly up to NATO standard;
- Seek new multilateral Alliance cooperative projects to promote Turkish force modernization, such as the UK-US-FRG M48A5 tank upgrade program.-
- Continue steps to make discussion of out-of-area concerns a regular focus for Alliance meetings.

(5) CYPRUS

Analysis

The Cyprus problem has never been part of our security relationship with Turkey, but it retains a unique capacity to damage that relationship.

For almost three decades, Cyprus has been an irritant in Turkish-American relations, at times--e.g., during the 1975-1978 partial arms embargo--a fundamental blockage. The 1974 hostilities, which led to the almost total segregation of

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the two island communities, ended the risk of periodic communal strife which had caused the Cyprus crises of earlier years.

(This is the main reason why a new Cyprus crisis is improbable for the foreseeable future.) However, the 1974 events also humiliated Greece by demonstrating Athens' manifest inability to defend an oft-proclaimed part of Hellenism, and by creating a swarm of Greek refugees reminiscent in kind, though not in size, of the 1922 debacle in Asia Minor. This humiliation galvanized Greece and its friends into political action around the world. The aftermath of 1974 left a deep scar on Turkish-American (and Greek-American) relations. We have done much since 1978 to undo the damage.

There has always been a strong convergence in the Turkish and American approaches to the Cyprus problem. Both want to minimize its ability to damage their bilateral relationships; both genuinely support a negotiation leading to a just and lasting settlement; (perhaps with different contexts); and both want to deny the island to a hostile power. However, Turkey has larger security interests on the island than do we. The GOT intervened in 1974 to undo the de facto enosis which the Greek junta had wrought by its coup against Makarios and its establishment of a puppet regime. Despite the blood and treasure expended in defense of Turkish interests (not limited to kinsmen) on Cyprus, Ankara has no insurmountable emotional

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commitment or policy imperative to retain large forces on the island. Basically, the GOT wants a settlement which will assure that Cyprus does not become a threat to Turkey--or Turkish Cypriots--i.e., by becoming a part of Greece or an ally of a Communist or radical Arab state.

Turkey understands the nexus between its deeds on Cyprus and its standing in the West. It bitterly resents that linkage but has learned from hard experience not to challenge it frontally. The recent Turkish Cypriot proposals on territory and constitutional issues mark a significant step forward in GOT policy and should serve to strengthen Turkey's general standing in Western Europe.

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The USG favors a negotiated settlement to end Cyprus' ability to bedevil our relations with Turkey and Greece, theirs with each other, and the integrity of the southern flank of

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NATO. Given the history of the Cyprus problem, it probably is more realistic to aim for a sustained process of negotiation under UN auspices, perhaps interrupted by periodic bouts of GOC attempts at internationalization of the issue. That, indeed, is the course on which we are now embarked. There is no acceptable alternative, no "viable option."

Policy Recommendations

-- Maintain strong pressure on both Cypriot communities to show flexibility and initiative in their de facto negotiations;

-- Stress the importance of such an approach to the respective metropolises;

-- Stiffen the UN resolve as needed;

-- Emphasize to Ankara that sustained momentum in the intercommunal talks will help maintain a favorable Congressional and public attitude toward Turkey in the United States;

-- Continue close consultations with the U.K. on possible use of Akrotiri and/or Dhekelia for SWA purposes.

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V. Conclusions

Turkey is a vital country for a wide range of major USG interests in the Eastern Mediterranean, Western Europe, Southwest Asia, and NATO. It is the closest NATO point which could directly threaten the Soviet heartland; it is also the closest NATO point which could be used to move directly into Southwest Asia. Turkey's value to the West, real and potential, is therefore vast. So, too, are the liabilities that would arise from the collapse of ongoing GOT reform efforts.

Simply put, we must craft a set of policies which will both help Turkey and serve USG strategic purposes. We can achieve both objectives in several ways. One is to help Turkey regain economic health, viable democracy, and self-confidence as a member of the Western family of nations. Another is to create a modernized Turkish force structure which would pose a credible deterrent in the context of NATO. Still another--and the most difficult of all--is to develop our bilateral relationship to obtain Turkish assets for defense of mutually perceived interests in Southwest Asia.

Even in the absence of an explicit link to SWA cooperation, strengthening Turkey will itself serve an important USG

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interest. A stronger Turkey would offset to some degree the Soviet military buildup in the Transcaucasus. The Soviets would doubtless be more cautious in deciding to use their forces in SWA, if they thought that the GOT had agreed to USG use of Turkish facilities to deal with SWA contingencies.

In seeking to deepen and broaden our relationship with Turkey, we shall have to manage four basic considerations: matching resources with objectives and tactics in dealing with the Turks; taking care not to displace European aid efforts; defusing Greek concerns; and sustaining progress toward a Cyprus settlement.

Resources, Objectives, and Tactics. A credible USG commitment to provide substantially higher levels of security assistance in FY 1983 and beyond, and a sustained best effort to implement that commitment, are essential first steps to achieving GOT cooperation in SWA. We must be absolutely certain of our ability to deliver on both points, if we are to develop GOT confidence in our commitment and our constancy. We can discuss SWA concerns and possible countermeasures within the context of NATO. Concurrently, we need to widen the NATO umbrella to cover out-of-area activities in response to threats

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to Alliance interests. At a minimum, NATO measures to defend eastern Turkey will be a credible Alliance deterrent to Soviet moves into SWA.

Commitment of sufficient resources to modernize the Turkish armed forces and to build a suitable infrastructure are preconditions for success in achieving our objective for SWA. Holding back on resources will undermine that achievement. We have learned from experience that the Turks respond well to positive stimulation, but not to withholding. As security assistance levels become clearer, we can make the linkage to SWA more explicit. The Turks may be able to help us considerably in the region, if we can keep up our best effort performance and maintain the NATO mantle.

Europe. We must rivet Western European attention to the main issues: the abiding strategic importance of Turkey to the West, and sustained movement back to representative government in a reasonable timeframe. The Evren regime is on the right course but needs a year or two to achieve its basic goals. We must convince the Europeans on this point. It is vital that we not allow Europe to use other issues--Ecevit's travel, reported human rights abuses, or domestic budgetary problems (which are no greater than our own)--to excuse a diminished effort for Turkish recovery.

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Greece. We must find ways to reduce GOG concerns over preserving a "balance" with Turkey. A USG security guarantee explicitly directed at Turkey would meet GOG requirements but would also scuttle our relations with Turkey and any chance of cooperation in SWA. The less provocative formulation agreed in the recent DECA talks with Athens could again suffice. Nevertheless, we shall probably have to obtain increased resources for Greece, in the context of an overall Alliance response to the strategic threat in SWA.

Cyprus. The process of a productive, sustained intercommunal dialogue will make it easier to obtain external resources for Turkey, from both the Congress and the Western Europeans. We must build on the momentum from the Turkish Cypriot proposals of August 4, seeking Greek Cypriot counterproposals and additional input from Waldheim's Special Representative, Gobbi.

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